

UNITED STATES DISTRICT COURT

EASTERN DISTRICT OF WISCONSIN

In the Matter of the Seizure of
(Address or brief description of property or premises to be seized)

UP TO \$7,000 IN FUNDS ON DEPOSIT IN
CAPITAL ONE BANK ACCOUNT ENDING
IN 8936 HELD IN THE NAME OF DONALD RAWLS

Case Number:

18-957M (NJ)

APPLICATION FOR A WARRANT TO SEIZE PROPERTY SUBJECT TO FORFEITURE

I, Jason Vanderwerff, being duly sworn depose and say:

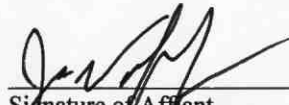
I am a Detective and Task Force Agent assigned to the United States Secret Service Milwaukee Resident Office Financial Crimes Task Force, and have reason to believe that in the Eastern District of Virginia there is now certain property, namely, up to \$7,000 in funds on deposit in Capital One Bank account ending in 8936 held in the name of Donald Rawls that is civilly forfeitable under 18 U.S.C. §§ 981(a)(1)(C) and 984, including cross-references to 18 U.S.C. §§ 1956(c)(7) and 1961(1), and criminally forfeitable under 18 U.S.C. § 981(a)(1)(C) in conjunction with 28 U.S.C. § 2461(c), as property that is derived from proceeds traceable to specified unlawful activity, namely, wire fraud in violation of 18 U.S.C. § 1343, and which property is therefore also subject to seizure for purposes of civil forfeiture under 18 U.S.C. § 981(b)(2) and for purposes of criminal forfeiture under 18 U.S.C. § 982(b)(1) and 21 U.S.C. § 853(f).

The application is based on these facts:

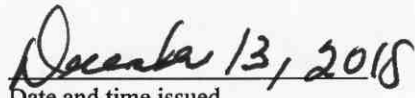
☒ Continued on the attached sheet.

☐ Delayed notice of ____ days (give exact ending date if more than 30 days: _____) is requested under 18 U.S.C. § 3103a, the basis of which is set forth on the attached sheet.

Sworn to before me, and subscribed in my presence



Signature of Affiant
Jason Vanderwerff, USSS



Date and time issued
2:10 pm

at Milwaukee, Wisconsin

City and State

Nancy Joseph, U.S. Magistrate Judge

Name & Title of Judicial Officer



Signature of Judicial Officer

AFFIDAVIT IN SUPPORT OF APPLICATION FOR SEIZURE WARRANT

I, Jason Vanderwerff, have been duly sworn on oath, state as follows:

Affiant's Background

1. I am a Detective with the City of West Allis Police Department and have been employed with them since 2005. I am currently assigned to the United States Secret Service Milwaukee Resident Office Financial Crimes Task Force ("MFCTF"). I was federally deputized on December 20, 2017. My duties as a Detective and Task Force Agent with the Secret Service include investigating financial crimes, such as identity fraud, check fraud, credit card fraud, bank fraud, wire fraud, currency-counterfeiting offenses, and money laundering. During my employment with the West Allis Police Department and the MFCTF, I have conducted several investigations that have resulted in seizures of criminally derived property, including monetary instruments.

2. As a Detective and Task Force Agent, I have conducted investigations into wire fraud, money laundering, and other complex financial crimes. In the course of those investigations, I have used various investigative techniques, including conducting undercover operations, reviewing physical and electronic evidence, obtaining and reviewing financial records, and working with cooperating sources of information. In the course of those investigations, I have also become familiar with techniques that criminals use to conceal the nature, source, location, and ownership of proceeds of crime and to avoid detection by law enforcement of their underlying acts and money laundering activities.

3. Because I am submitting this affidavit for the limited purpose of establishing probable cause for the requested seizure warrant, I have not included in this affidavit every detail I know about this investigation. Rather, I have included only the information necessary to establish probable cause for the requested seizure warrant.

4. The facts set forth in this affidavit are based on my personal knowledge, including what I have learned through my training and experience as a law enforcement officer, my review of documents and other records obtained in the course of this investigation, and information I have obtained in the course of this investigation from the victim of this incident.

Property Sought to be Seized

5. I submit this affidavit in support of an application for a warrant to seize up to \$7,000.00 in funds on deposit in Capital One Bank account ending in 8936 ("CB 8936"), held in the name of Donald Rawls.

6. For the reasons set forth below, I submit that up to \$7,000.00 in funds on deposit in CB 8936 are:

- a. Funds traceable to, and are therefore proceeds of, a wire fraud offense or offenses committed in violation of 18 U.S.C. § 1343;

- b. Subject to civil forfeiture under 18 U.S.C. §§ 981(a)(1)(C) and 984, including cross-references to 18 U.S.C. §§ 1956(c)(7) and 1961(1);
- c. Subject to criminal forfeiture under 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c); and
- d. Subject to seizure via a civil seizure warrant under 18 U.S.C. § 981(b)(2) and via a criminal seizure warrant under 18 U.S.C. § 982(b)(1) and 21 U.S.C. § 853(f).

Summary of Scheme to Defraud

7. I submit that there exists probable cause to believe that up to \$7,000.00 in proceeds of a wire fraud scheme – which involved material misrepresentations and the use of interstate wires in connection with an online e-commerce fraud – have been deposited into CB 8936, the account from which up to that amount of funds are sought to be seized.

8. As a part of an online apartment rental fraud scheme, an unknown suspect or suspects caused \$7,000.00 to be wire transferred from a bank account within the Eastern District of Wisconsin into Capital One Bank account ending in 8897 (“CB 8897”). The \$7,000.00 was then transferred into CB 8936, a checking account held in the name of Donald Rawls.

Facts Supporting Findings of Probable Cause for Issuance of Seizure Warrant

Common attributes of vacation rental fraud schemes

9. According to an October 2014 press release issued by the Federal Trade Commission, scammers are using vacation rentals to defraud people out of money by posting properties online. The press release advised consumers to use caution if the lister requested a money wire for the rent, requested a security deposit or first month’s rent before the renter had met the lister or had signed a lease, or if the renter was unable to meet the lister in person because the lister claimed to be out of the country.

September 29, 2018 wire transfer of \$7,000.00 in suspected fraud proceeds into CB 8897, and October 2, 2018 wire transfer of that \$7,000.00 from CB 8897 into CB 8936

10. On September 26, 2018, a victim having the initials of “D.Z.,” who resides in the Eastern District of Wisconsin, saw a property for rent on the e-commerce website Craigslist.

11. D.Z. sent an email to the seller, and the seller replied that the property for rent was located at 4874 Cayview Avenue, Orlando, Florida 32819. At the request of the seller, D.Z. submitted an application for the rental. D.Z. was later advised that D.Z. had been approved to rent the property for a period of six months.

12. The seller told D.Z. (1) that D.Z. could rent the property for six months, (2) that D.Z. needed to pay \$6,500.00 in advance for the rental, along with a \$500.00 security deposit,

and (3) that D.Z. should make those payments by cash deposit, bank wire, or cashier's check deposit. The purported listers of the apartment were "Adolfo & Donald Rawls," with a phone number of (863) 417-9XXX.

13. On September 29, 2018, as instructed by the seller, D.Z. wire transferred \$7,000.00 from D.Z.'s bank account at the Wells Fargo branch located at W180 N9440 Premier Lane, Menomonee Falls, Wisconsin, which is located in the Eastern District of Wisconsin, into CB 8897.

14. On October 1, 2018, D.Z.'s \$7,000.00 wire transfer was deposited into CB 8897.

15. On October 2, 2018, the \$7,000.00, along with other funds in CB 8897, were wire transferred into the CB 8936.

16. D.Z. later saw the same property listed for rent on Craigslist and realized that he had been scammed out of money.

17. As of December 10, 2018, D.Z. has not received his money back from the scam.

Investigation into Donald Rawls and 4874 Cayview Avenue, Orlando, Florida

18. According to information obtained from Capital One Bank, CB 8897 and CB 8936 were opened on or about July 16, 2018, and the account holder, Donald Rawls, has a listed address of 13XX Betty Lane, Fort Worth, Texas 76117.

19. As of October 31, 2018, the account balance of CB 8897 was \$0.14 and as of October 9, 2018, the account balance of CB 8936 was \$5,151.06. Capital One advised that both accounts have been frozen because of suspected fraud.

20. Open source records show no connections between Donald C. Rawls and Adolfo Rawls.

21. Law Enforcement records show Donald C. Rawls has an address of 13XX Betty Lane, B, Haltom City (Fort Worth area), Texas.

22. I contacted Vista Cay Resort at 4874 Cayview Avenue, Orlando, Florida, and spoke with the Vista Cay manager, who has the initials "A.Z." A.Z. stated that Vista Cay Resort rental units are not listed on Craigslist. A.Z. also stated that approximately six people have called Vista Cay Resort inquiring about the property and that those people have been scammed.

23. A.Z. stated that A.Z. did not know, and that Vista Cay Resort has no business association with, Adolfo or Donald Rawls.

Applicable Asset Forfeiture Provisions

24. Under 18 U.S.C. § 984, a court may order the forfeiture of funds in a bank account into which monies subject to forfeiture have been deposited, without the need to trace the funds currently in the account to the specific deposits that are subject to forfeiture, up to the amount of the funds subject to forfeiture that have been deposited into the account within the past one-year period.

25. Section 984 (a) provides in part:

(1) In any forfeiture action in rem in which the subject property is cash [or] funds deposited in an account in a financial institution

(A) it shall not be necessary for the Government to identify the specific property involved in the offense that is the basis for the forfeiture; and

(B) it shall not be a defense that the property involved in such an offense has been removed and replaced by identical property.

(2) Except as provided in subsection (c), any identical property found in the same place or account as the property involved in the offense that is the basis for the forfeiture shall be subject to forfeiture under this section.

26. 18 U.S.C. § 984(b) provides: “No action pursuant to this section to forfeit property not traceable directly to the offense that is the basis for the forfeiture may be commenced more than 1 year from the date of the offense.”

27. Thus, under Section 984, a court may order the civil forfeiture of monies found in a bank account into which deposits of criminal proceeds subject to forfeiture had been made, up to the amount of the forfeitable deposits that have been made into the account within the prior one-year period, without the need for tracing the funds to be forfeited to any of the specific forfeitable deposits.

28. I submit that a restraining order under 21 U.S.C. § 853(e) may not be sufficient to assure the availability of the funds for forfeiture because I have been advised of cases in which, even after restraining order or similar process has been issued to financial institution, the funds sought to be restrained were not effectively restrained by the financial institution. In my judgment, a seizure warrant would be the most effective way to assure the availability of the money sought to be seized for forfeiture.

Conclusion

29. Based on the facts and circumstances set forth in this affidavit, I submit that there exists probable cause to believe that up to \$7,000.00 in funds on deposit in Capital One Bank account ending in 8936, held in the name of Donald Rawls, are:

- a. Funds traceable to, and are therefore proceeds of, a wire fraud offense or offenses, committed in violation of 18 U.S.C. § 1343;
- b. Subject to civil forfeiture under 18 U.S.C. §§ 981(a)(1)(C) and 984, including cross-references to 18 U.S.C. §§ 1956(c)(7) and 1961(1);
- c. Subject to criminal forfeiture under 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c); and
- d. Subject to seizure via a civil seizure warrant under 18 U.S.C. § 981(b)(2) and via a criminal seizure warrant under 18 U.S.C. § 982(b)(1) and 21 U.S.C. § 853(f).

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